

W.R. Grace & Co. - Chapter 11 Filing Entities Combining Statement of Operations MOR - 2 Month Ended March 31, 2011									
		Coalgrace II, Inc.	Gracoal II, Inc.	Gracoal, Inc.	Grace Drilling Company	Grace Petroleum Libya Incorporated	Axial Basin Ranch Company	Hayden-Gulch West Coal Company	H-G Coal Company
IRIS numbers		835	848	856	877	880	na	na	na
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to related parties	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-
Restructuring expenses	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Defined benefit pension expense	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income), net	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net of interest income	-	-	-	-	-	-	-	-	-
(Loss) income before income taxes, noncontrolling interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-
Noncontrolling interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Net (loss) Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W.R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities Combining Statement of Operations MOR - 2 Month Ended March 31, 2011				
IRIS numbers	LEVEL 2	Eliminations between Filing Entities	Conversion to Equity Method	COMBINED FILING ENTITIES
			BNF/L3/MI	
Net sales to third parties	\$ -	\$ -	\$ 95,540,393	
Net sales to non-filing entities		-	\$ 33,565,878	
Net sales to filing entities	(218,078)	-	\$ -	
Interest and royalties from non-filing entities, net	-	-	\$ 1,815,143	
Interest and royalties from filing entities, net	(12,476,821)	-	\$ -	
	(12,694,898)	-	\$ 130,921,413	
Cost of goods sold to third parties	-	-	\$ 54,657,549	
Cost of goods sold to non-filing entities	-	-	\$ 21,698,212	
Cost of goods sold to filing entities	(144,326)	-	\$ -	
Cost of goods sold to related parties	-	-	\$ (135,767)	
Selling, general and administrative expenses	-	-	\$ 23,537,816	
Restructuring expenses	-	-	\$ 244,712	
Research and development expenses	-	-	\$ 3,290,843	
Defined benefit pension expense	-	-	\$ 1,584,500	
Depreciation and amortization	-	-	\$ 5,630,584	
Interest expense	-	-	\$ 3,336,203	
Other expense (income), net	-	-	\$ (3,127,918)	
Chapter 11 reorganization expenses, net of interest income	-	-	\$ 2,581,410	
	(144,326)	-	\$ 113,298,143	
(Loss) income before income taxes, noncontrolling interest and equity in net income of non-filing entities	(12,550,572)	-	\$ 17,623,271	
(Provision for) benefit from income taxes	-	-	\$ (2,960,305)	
Noncontrolling interest in income of subsidiary	-	-	\$ -	
Equity in net income of non-filing entities	-	18,584,808	\$ 18,584,808	
Net (loss) income	\$ (12,550,572)	\$ 18,584,808	\$ 33,247,773	

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W. R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

MOR - 3

March 31, 2011

	W. R. Grace & Co. - Conn	W. R. Grace & Co.	Rémedium Group, Inc.	CCHP, Inc.	CC Partners	Grace Washington, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ 579,824,975	\$ -	\$ (127,562)	\$ -	\$ -	\$ -
Restricted cash and cash equivalents as collateral for letter of credit facility	74,300,000	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	119,632,596	-	-	-	-	-
Accounts receivable - related party	15,821,411	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	315,485,515	(306,265,727)	(26,351,217)	12,872,292	(69,845,902)	(13,144,990)
Inventories	120,041,060	-	-	-	-	-
Deferred income taxes	20,255,224	-	(2,420,697)	-	-	-
Other current assets	39,410,197	-	50,992	-	-	-
Total Current Assets	1,284,770,979	(306,265,727)	(28,848,484)	12,872,292	(69,845,902)	(13,144,990)
Properties and equipment, net	403,070,664	-	284,249	-	-	-
Goodwill	31,053,634	-	-	-	-	-
Deferred income taxes	945,495,383	-	23,348,418	-	-	-
Asbestos-related insurance receivable	500,000,000	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(1,933,406,189)	1,247,514,078	120,840,777	6,489,536	281,898,608	-
Investment in filing and non-filing entities	1,147,229,771	241,512,111	-	-	-	-
Overfunded defined benefit pension plans	288,705	-	-	-	-	-
Investment of unconsolidated affiliates	59,482,991	-	-	-	-	-
Other assets	41,826,811	-	-	-	-	-
Total Assets	\$ 2,479,812,750	\$ 1,182,760,462	\$ 115,624,959	\$ 19,361,828	\$ 212,052,706	\$ (13,144,990)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ 776,122	-	\$ -	\$ -	\$ -	\$ -
Debt payable - related party	2,389,694	-	-	-	-	-
Accounts payable	104,483,333	-	831,221	-	-	-
Accounts payable - related party	3,488,366	-	-	-	-	-
Income taxes payable	1,056,360	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	86,818,340	-	572,299	-	-	17,920
Total Current Liabilities	199,012,216	-	1,403,521	-	-	17,920
Debt payable after one year	2,332,828	-	-	-	-	-
Debt payable - related party	14,268,683	-	-	-	-	-
Underfunded defined benefit pension plans	159,697,611	-	-	-	-	-
Other liabilities	32,064,547	-	-	-	-	-
Total Liabilities Not Subject to Compromise	575,969,325	-	1,403,521	-	-	17,920
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	885,481,787	-	-	-	-	-
Drawn letters of credit plus accrued interest	33,260,915	-	-	-	-	-
Income tax contingencies	(209,178,945)	155,733,726	(10,025,368)	651,263	29,279,845	(168,391)
Asbestos-related contingencies	1,700,000,000	-	-	-	-	-
Environmental contingencies	83,884,025	-	58,013,056	-	-	-
Postretirement benefits	180,225,542	-	-	-	-	-
Other liabilities and accrued interest	151,477,075	-	656,146	-	-	-
Total Liabilities Subject to Compromise	2,825,150,398	155,733,726	48,643,834	651,263	29,279,845	(168,391)
Total Liabilities	3,401,119,723	155,733,726	50,047,355	651,263	29,279,845	(150,471)
Equity (Deficit)						
Preferred stock	-	-	-	-	-	-
Common stock	83,968,960	733,080	12,223	1,000	-	1,000
Paid in capital	144,899,878	451,264,389	9,724,449	34,052,467	56,011,577	-
(Accumulated deficit)/Retained earnings	(628,094,120)	618,713,324	55,840,933	(15,342,901)	126,761,284	(12,995,519)
Treasury stock, at cost	-	(43,684,157)	-	-	-	-
Accumulated other comprehensive (loss) income	(522,203,979)	100	-	-	-	-
Total W.R. Grace & Co. - Chapter 11 Filing Entities Equity (Deficit)	(921,429,262)	1,027,026,736	65,577,605	18,710,565	182,772,861	(12,994,519)
Noncontrolling interest	122,289	-	-	-	-	-
Total Equity (Deficit)	(921,306,973)	1,027,026,736	65,577,605	18,710,565	182,772,861	(12,994,519)
Total Liabilities and Equity (Deficit)	\$ 2,479,812,750	\$ 1,182,760,462	\$ 115,624,959	\$ 19,361,828	\$ 212,052,706	\$ (13,144,990)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities Combining Balance Sheet MOR - 3 March 31, 2011		Litigation Management, Inc.	Grace Europe, Inc.	L B Realty, Inc.	Grace International Holdings, Inc.	Darex Puerto Rico, Inc.	Alewife Land Corporation
ASSETS							
Current Assets							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 973,164	\$ -	\$ -
Restricted cash and cash equivalents as collateral for letter of credit facility	-	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	1,218,037	-	-
Accounts receivable - related party	-	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(386,938,610)	5,814,057	140,524,854	(93,406,106)	789,758	(5,248,147)	
Inventories	-	-	-	-	210,224	-	-
Deferred income taxes	-	0	-	-	11,818	-	-
Other current assets	-	80,813	-	-	0	(9,147)	-
Total Current Assets	(386,938,610)	5,894,871	140,524,854	(93,406,106)	3,203,002	(5,257,294)	
Properties and equipment, net	-	-	-	-	351,906	-	-
Goodwill	-	-	-	-	1,256,948	-	-
Deferred income taxes	-	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	692,792,079	(3,270,424)	-	20,210,081	-	-	-
Investment in filing and non-filing entities	-	-	-	58,669,464	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-	-
Investement of unconsolidated affiliates	-	54,000	-	-	4,005,747	-	-
Other assets	-	-	-	-	-	-	-
Total Assets	\$ 305,853,470	\$ 2,678,446	\$ 140,524,854	\$ (14,526,561)	\$ 8,817,603	\$ (5,257,294)	
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)							
Liabilities Not Subject to Compromise							
Current Liabilities							
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt payable - related party	-	-	-	-	-	-	-
Accounts payable	-	21,725	-	-	625,757	-	-
Accounts payable - related party	-	-	-	-	-	-	-
Income taxes payable	-	-	-	-	(1,824,725)	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-	-
Other current liabilities	-	365,680	-	-	89,808	-	-
Total Current Liabilities	-	387,405	-	-	(1,109,160)	-	-
Debt payable after one year	-	-	-	-	-	-	-
Debt payable - related party	-	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	387,405	-	(169,509)	(1,094,277)	-	-
Liabilities Subject to Compromise							
Debt, pre-petition plus accrued interest	-	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-	-
Income tax contingencies	90,190,487	(1,195,011)	(150)	(12,597,055)	(1,336,786)	(433,777)	
Asbestos-related contingencies	-	-	-	-	-	-	-
Environmental contingencies	-	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-	-
Other liabilities and accrued interest	-	(12,609)	-	-	133,907	-	-
Total Liabilities Subject to Compromise	90,190,487	(1,207,619)	(150)	(12,597,055)	(1,202,879)	(433,777)	
Total Liabilities	90,190,487	(820,214)	(150)	(12,766,564)	(2,297,156)	(433,777)	
Equity (Deficit)							
Preferred stock	112	-	-	-	-	-	-
Common stock	1,000	1,000	-	-	1,000	1,000	200
Paid in capital	(29,267,410)	-	25,358,993	61,845,489	13,074,177	274,606	
(Accumulated deficit)/Retained earnings	244,929,280	(348,749)	115,166,011	(107,839,270)	(1,960,417)	(5,098,323)	
Treasury stock, at cost	-	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	3,846,409	-	44,232,784	-	-	-
Total W.R. Grace & Co. - Chapter 11 Filing Entities Equity (Deficit)	215,662,983	3,498,660	140,525,004	(1,759,997)	11,114,760	(4,823,517)	
Noncontrolling interest	-	-	-	-	-	-	-
Total Equity (Deficit)	215,662,983	3,498,660	140,525,004	(1,759,997)	11,114,760	(4,823,517)	
Total Liabilities and Equity (Deficit)	\$ 305,853,470	\$ 2,678,446	\$ 140,524,854	\$ (14,526,561)	\$ 8,817,603	\$ (5,257,294)	

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities Combining Balance Sheet MOR - 3 March 31, 2011		Alewife Boston Ltd.	Five Alewife Boston Ltd.	GN Holdings, Inc.	MRA Holdings Corp.	MRA Intermedco, Inc.	MRA Staffing Systems, Inc.
ASSETS							
Current Assets							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and cash equivalents as collateral for letter of credit facility	-	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-	-
Accounts receivable - related party	-	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(2,143,580)	-	(57,817,172)	(110)	(330)	(27,731)	
Inventories	-	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-	-
Total Current Assets	(2,143,580)	-	(57,817,172)	(110)	(330)	(27,731)	
Properties and equipment, net	-	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	34,053,467	54,500,000	54,500,000	56,011,577	
Overfunded defined benefit pension plans	-	-	-	-	-	-	-
Investement of unconsolidated affiliates	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-
Total Assets	\$ (2,143,580)	\$ -	\$ (23,763,706)	\$ 54,499,890	\$ 54,499,670	\$ 55,983,846	
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)							
Liabilities Not Subject to Compromise							
Current Liabilities							
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt payable - related party	-	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-	-
Accounts payable - related party	-	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-	-
Debt payable - related party	-	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-	-
Liabilities Subject to Compromise							
Debt, pre-petition plus accrued interest	-	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-	-
Income tax contingencies	(210)	-	-	(110)	(330)	(7,489)	
Asbestos-related contingencies	-	-	-	-	-	-	-
Environmental contingencies	-	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(210)	-	-	(110)	(330)	(7,489)	
Total Liabilities	(210)	-	-	(110)	(330)	(7,489)	
Equity (Deficit)							
Preferred stock	-	-	-	-	-	-	-
Common stock	-	-	931,540	1	130	130	
Paid in capital	-	-	9,408,460	54,499,999	54,499,870	54,499,870	
(Accumulated deficit)/Retained earnings	(2,143,370)	-	(34,103,706)	-	-	-	1,491,335
Treasury stock, at cost	-	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-	-
Total W.R. Grace & Co. - Chapter 11 Filing Entities Equity (Deficit)	(2,143,370)	-	(23,763,706)	\$ 54,500,000	\$ 54,500,000	\$ 55,991,335	
Noncontrolling interest	-	-	-	-	-	-	-
Total Equity (Deficit)	(2,143,370)	-	(23,763,706)	\$ 54,500,000	\$ 54,500,000	\$ 55,991,335	
Total Liabilities and Equity (Deficit)	\$ (2,143,580)	\$ -	\$ (23,763,706)	\$ 54,499,890	\$ 54,499,670	\$ 55,983,846	

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities Combining Balance Sheet MOR - 3 March 31, 2011		Kootenai Development Company	CB Biomedical, Inc.	Amicon, Inc.	Grace Environmental, Inc.	Grace Chemical Company of Cuba	Southern Oil, Resin & Fiberglass, Inc.
ASSETS							
Current Assets							
Cash and cash equivalents	\$ 149,229	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and cash equivalents as collateral for letter of credit facility	-	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-	-
Accounts receivable - related party	-	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(431,983)	(26,614,022)	57,347,191	(7,283,826)	-	-	-
Inventories	-	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-	-
Other current assets	7,731	-	-	-	-	-	-
Total Current Assets	(275,023)	(26,614,022)	57,347,191	(7,283,826)	-	-	-
Properties and equipment, net	6,594	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-	-
Investement of unconsolidated affiliates	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-
Total Assets	\$ (268,429)	\$ (26,614,022)	\$ 57,347,191	\$ (7,283,826)	\$ -	\$ -	\$ -
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)							
Liabilities Not Subject to Compromise							
Current Liabilities							
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt payable - related party	-	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-	-
Accounts payable - related party	-	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-	-
Debt payable - related party	-	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-	-
Liabilities Subject to Compromise							
Debt, pre-petition plus accrued interest	-	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-	-
Income tax contingences	(550,266)	(195)	10,346,794	(230)	-	-	-
Asbestos-related contingences	-	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(550,266)	(195)	10,346,794	(230)	-	-	-
Total Liabilities	(550,266)	(195)	10,346,794	(230)	-	-	-
Equity (Deficit)							
Preferred stock	-	-	-	-	-	-	-
Common stock	-	-	-	-	-	-	-
Paid in capital	1,303,954	864,233	3,671,658	5,150	-	-	-
(Accumulated deficit)/Retained earnings	(1,022,117)	(27,478,060)	43,427,950	5,144,850	-	-	-
Treasury stock, at cost	-	-	-	(12,433,596)	-	-	-
Accumulated other comprehensive (loss) income	-	-	(99,212)	-	-	-	-
Total W.R. Grace & Co. - Chapter 11 Filing Entities Equity (Deficit)	281,837	(26,613,827)	47,000,396	(7,283,596)	-	-	-
Noncontrolling interest	-	-	-	-	-	-	-
Total Equity (Deficit)	281,837	(26,613,827)	47,000,396	(7,283,596)	-	-	-
Total Liabilities and Equity (Deficit)	\$ (268,429)	\$ (26,614,022)	\$ 57,347,191	\$ (7,283,826)	\$ -	\$ -	\$ -

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities Combining Balance Sheet MOR - 3 March 31, 2011		Guanica-Caribe Land Development Corporation	Dewey & Almy, LLC	A-1 Bit & Tool Co., Inc.	Grace Tarpon Investors, Inc.	G C Limited Partners I, Inc.	Monolith Enterprises, Incorporated
ASSETS							
Current Assets							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and cash equivalents as collateral for letter of credit facility	-	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-	-
Accounts receivable - related party	-	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	5,824,284	(102,989)	(1,119,103)	10,284,124	330	(2,417,714)	
Inventories	-	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-	-
Total Current Assets	5,824,284	(102,989)	(1,119,103)	10,284,124	330	(2,417,714)	
Properties and equipment, net	-	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-	-
Investment in filing and non-filing entities	-	94,022	-	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-	-
Investment of unconsolidated affiliates	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-
Total Assets	\$ 5,824,284	\$ (8,966)	\$ (1,119,103)	\$ 10,284,124	\$ 330	\$ (2,417,714)	
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)							
Liabilities Not Subject to Compromise							
Current Liabilities							
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt payable - related party	-	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-	-
Accounts payable - related party	-	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	3	-	-
Other current liabilities	-	-	-	-	3	-	-
Total Current Liabilities	-	-	-	-	3	-	-
Debt payable after one year	-	-	-	-	-	-	-
Debt payable - related party	-	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	3	-	-
Liabilities Subject to Compromise							
Debt, pre-petition plus accrued interest	-	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-	-
Income tax contingencies	(110)	-	-	(110)	(560)	(560)	(450)
Asbestos-related contingencies	-	-	-	-	-	-	-
Environmental contingencies	-	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(110)	-	(110)	(560)	(560)	(450)	
Total Liabilities	(110)	-	(110)	(557)	(560)	(450)	
Equity (Deficit)							
Preferred stock	-	-	-	-	-	-	-
Common stock	1,000	2,000	29,000	1,000	1,000	26,000	
Paid in capital	5,823,446	-	-	3,136,087	-	9,988,414	
(Accumulated deficit)/Retained earnings	(52)	(10,966)	(1,147,993)	7,147,595	(110)	(12,431,678)	
Treasury stock, at cost	-	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-	-
Total W.R. Grace & Co. - Chapter 11 Filing Entities Equity (Deficit)	5,824,394	(8,966)	(1,118,993)	10,284,682	890	(2,417,264)	
Noncontrolling interest							
Total Equity (Deficit)	5,824,394	(8,966)	(1,118,993)	10,284,682	890	(2,417,264)	
Total Liabilities and Equity (Deficit)	\$ 5,824,284	\$ (8,966)	\$ (1,119,103)	\$ 10,284,124	\$ 330	\$ (2,417,714)	

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities Combining Balance Sheet MOR - 3 March 31, 2011		Grace Culinary Systems, Inc.	Grace Hotel Services Corporation	Monroe Street, Inc.	Grace H-G Inc.	Hanover Square Corporation	Ecarg, Inc.
ASSETS							
Current Assets							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and cash equivalents as collateral for letter of credit facility	-	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-	-
Accounts receivable - related party	-	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(26,312,455)	(5,132,933)	(3,350,634)	(2,509,849)	840	(1,230,613)	
Inventories	-	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-	-
Total Current Assets	(26,312,455)	(5,132,933)	(3,350,634)	(2,509,849)	840	(1,230,613)	
Properties and equipment, net	-	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-	-
Investement of unconsolidated affiliates	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-
Total Assets	\$ (26,312,455)	\$ (5,132,933)	\$ (3,350,634)	\$ (2,509,849)	\$ 840	\$ (1,230,613)	
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)							
Liabilities Not Subject to Compromise							
Current Liabilities							
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt payable - related party	-	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-	-
Accounts payable - related party	-	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-	-
Debt payable - related party	-	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-	-
Liabilities Subject to Compromise							
Debt, pre-petition plus accrued interest	-	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-	-
Income tax contingences	-	(818)	(110)	(210)	(110)	(30)	
Asbestos-related contingences	-	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-	-
Total Liabilities Subject to Compromise	-	(818)	(110)	(210)	(110)	(30)	
Total Liabilities	-	(818)	(110)	(210)	(110)	(30)	
Equity (Deficit)							
Preferred stock	-	-	-	-	-	-	-
Common stock	-	-	-	1,000	1,000	1,000	50
Paid in capital	-	-	-	-	-	-	50
(Accumulated deficit)/Retained earnings	(26,312,455)	(5,132,115)	(3,351,524)	(2,510,639)	(50)	(1,230,683)	
Treasury stock, at cost	-	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-	-
Total W.R. Grace & Co. - Chapter 11 Filing Entities Equity (Deficit)	(26,312,455)	(5,132,115)	(3,350,524)	(2,509,639)	950	(1,230,583)	
Noncontrolling interest	-	-	-	-	-	-	-
Total Equity (Deficit)	(26,312,455)	(5,132,115)	(3,350,524)	(2,509,639)	950	(1,230,583)	
Total Liabilities and Equity (Deficit)	\$ (26,312,455)	\$ (5,132,933)	\$ (3,350,634)	\$ (2,509,849)	\$ 840	\$ (1,230,613)	

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities Combining Balance Sheet MOR - 3 March 31, 2011		W. R. Grace Land Corporation	G C Management, Inc.	Water Street Corporation	Del Taco Restaurants, Inc.	W. R. Grace Capital Corporation	Gloucester New Communities Company, Inc.
ASSETS							
Current Assets							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
Restricted cash and cash equivalents as collateral for letter of credit facility	-	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-	-
Accounts receivable - related party	-	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	36,708,315	-	(73,061)	(12,559,518)	(264,688)	(19,555,815)	
Inventories	-	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-	91,572
Total Current Assets	36,708,315	-	(73,061)	(12,559,518)	(264,688)	(19,463,742)	
Properties and equipment, net	-	-	-	-	-	438,445	-
Goodwill	-	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-	-
Investment in filing and non-filing entities	6,284,806	-	-	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-	-
Investement of unconsolidated affiliates	-	-	-	-	-	-	4,066
Other assets	-	-	-	-	-	-	-
Total Assets	\$ 42,993,121	\$ -	\$ (73,061)	\$ (12,559,518)	\$ 173,757	\$ (19,459,676)	
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)							
Liabilities Not Subject to Compromise							
Current Liabilities							
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt payable - related party	-	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-	4,066
Accounts payable - related party	-	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-	199
Total Current Liabilities	-	-	-	-	-	199	4,066
Debt payable after one year	-	-	-	-	-	-	-
Debt payable - related party	-	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	199	4,066
Liabilities Subject to Compromise							
Debt, pre-petition plus accrued interest	-	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-	-
Income tax contingencies	(821)	-	(110)	(265)	(759)	-	-
Asbestos-related contingencies	-	-	-	-	-	-	-
Environmental contingencies	-	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(821)	-	(110)	(265)	(759)	-	
Total Liabilities	(821)	-	(110)	(265)	(560)	4,066	
Equity (Deficit)							
Preferred stock	-	-	-	-	-	-	-
Common stock	5,000	-	1,000	85,539	1,000	5,000	
Paid in capital	19,577,160	-	-	6,541,055	4,000	6,000,000	
(Accumulated deficit)/Retained earnings	23,411,782	-	(73,951)	(19,185,847)	169,317	(25,468,742)	
Treasury stock, at cost	-	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-	-
Total W.R. Grace & Co. - Chapter 11 Filing Entities Equity (Deficit)	42,993,942	-	(72,951)	(12,559,253)	174,317	(19,463,742)	
Noncontrolling interest	-	-	-	-	-	-	-
Total Equity (Deficit)	42,993,942	-	(72,951)	(12,559,253)	174,317	(19,463,742)	
Total Liabilities and Equity (Deficit)	\$ 42,993,121	\$ -	\$ (73,061)	\$ (12,559,518)	\$ 173,757	\$ (19,459,676)	

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

MOR - 3

March 31, 2011

	Creative Food N Fun Company	Grace PAR Corporation	Grace A-B Inc.	Homco International, Inc.	GPC Thomasville Corp.	Grace Ventures Corp.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and cash equivalents as collateral for letter of credit facility	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-
Accounts receivable - related party	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	23,478,717	6,345,361	810,265	(48,413,250)	(185)	(86,721)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	23,478,717	6,345,361	810,265	(48,413,250)	(185)	(86,721)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-
Investement of unconsolidated affiliates	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ 23,478,717	\$ 6,345,361	\$ 810,265	\$ (48,413,250)	\$ (185)	\$ (86,721)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt payable - related party	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Accounts payable - related party	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Debt payable - related party	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingences	(1,432)	(300)	(335)	(405)	(185)	(110)
Asbestos-related contingences	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(1,432)	(300)	(335)	(405)	(185)	(110)
Total Liabilities	(1,432)	(300)	(335)	(405)	(185)	(110)
Equity (Deficit)						
Preferred stock	-	-	-	-	-	-
Common stock	1,090,000	1,000	1,000	303,000	-	-
Paid in capital	33,631,999	18,090,032	-	37,765,000	-	1,900,000
(Accumulated deficit)/Retained earnings	(11,241,851)	(11,745,371)	809,600	(86,480,845)	-	(1,986,611)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-
Total W.R. Grace & Co. - Chapter 11 Filing Entities Equity (Deficit)	23,480,148	6,345,661	810,600	(48,412,845)	-	(86,611)
Noncontrolling interest	-	-	-	-	-	-
Total Equity (Deficit)	23,480,148	6,345,661	810,600	(48,412,845)	-	(86,611)
Total Liabilities and Equity (Deficit)	\$ 23,478,717	\$ 6,345,361	\$ 810,265	\$ (48,413,250)	\$ (185)	\$ (86,721)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities Combining Balance Sheet MOR - 3 March 31, 2011		Grace Energy Corporation	GEC Management Corporation	Grace Offshore Company	Coalgrace, Inc.	Grace A-B II Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and cash equivalents as collateral for letter of credit facility	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-
Accounts receivable - related party	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	352,712,699	4,389,612	(15,750,664)	5,296,839	875,359	
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	352,712,699	4,389,612	(15,750,664)	5,296,839	875,359	
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(35,903,123)	(14,135,725)	-	-	-	-
Investment in filing and non-filing entities	187,272,210	-	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-
Investement of unconsolidated affiliates	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ 504,081,786	\$ (9,746,113)	\$ (15,750,664)	\$ 5,296,839	\$ 875,359	
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt payable - related party	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Accounts payable - related party	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Debt payable - related party	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingencies	(119)	(110)	-	(360)	(310)	
Asbestos-related contingencies	-	-	-	-	-	-
Environmental contingencies	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(119)	(110)	-	(360)	(310)	
Total Liabilities	(119)	(110)	-	(360)	(310)	
Equity (Deficit)						
Preferred stock	-	-	-	-	-	-
Common stock	1,000	1,000	(114,960)	100	1,000	
Paid in capital	451,425,156	(2,089,027)	34,215,000	-	-	
(Accumulated deficit)/Retained earnings	52,655,749	(7,657,976)	(49,850,704)	5,297,099	874,669	
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-
Total W.R. Grace & Co. - Chapter 11 Filing Entities Equity (Deficit)	504,081,905	(9,746,003)	(15,750,664)	5,297,199	875,669	
Noncontrolling interest						
Total Equity (Deficit)	504,081,905	(9,746,003)	(15,750,664)	5,297,199	875,669	
Total Liabilities and Equity (Deficit)	\$ 504,081,786	\$ (9,746,113)	\$ (15,750,664)	\$ 5,296,839	\$ 875,359	

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities Combining Balance Sheet MOR - 3 March 31, 2011		Grace H-G II Inc.	Coalgrace II, Inc.	Gracoal II, Inc.	Gracoal, Inc.	Grace Drilling Company
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and cash equivalents as collateral for letter of credit facility	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-
Accounts receivable - related party	(5,314)	108,080	130,215,533	145,239,206	(81,115,113)	
Receivables from/(payables to) filing and non-filing entities, net						
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets						
Total Current Assets	(5,314)	108,080	130,215,533	145,239,206	(81,115,113)	
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Overfunded defined benefit pension plans						
Investement of unconsolidated affiliates	-	-	-	-	-	-
Other assets						
Total Assets	\$ (5,314)	\$ 108,080	\$ 130,215,533	\$ 145,239,206	\$ (81,115,113)	
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt payable - related party	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Accounts payable - related party	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Debt payable - related party	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest						
Income tax contingences	(260)	(360)	21,450,461	21,450,636	(480)	
Asbestos-related contingences	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest						
Total Liabilities Subject to Compromise	(260)	(360)	21,450,461	21,450,636	(480)	
Total Liabilities	(260)	(360)	21,450,461	21,450,636	(480)	
Equity (Deficit)						
Preferred stock						
Common stock	1,000	1,000	1,000	100	124,473	
Paid in capital	-	-	30,293,750	13,880,108	51,173,713	
(Accumulated deficit)/Retained earnings	(6,054)	107,440	78,470,322	109,908,362	(132,412,819)	
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-
Total W.R. Grace & Co. - Chapter 11 Filing Entities Equity (Deficit)	(5,054)	108,440	108,765,072	123,788,570	(81,114,633)	
Noncontrolling interest						
Total Equity (Deficit)	(5,054)	108,440	108,765,072	123,788,570	(81,114,633)	
Total Liabilities and Equity (Deficit)	\$ (5,314)	\$ 108,080	\$ 130,215,533	\$ 145,239,206	\$ (81,115,113)	

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities Combining Balance Sheet MOR - 3 March 31, 2011		Grace Petroleum Libya Incorporated	Axial Basin Ranch Company	Hayden-Gulch West Coal Company	H-G Coal Company	Eliminations between Filing Entities
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and cash equivalents as collateral for letter of credit facility	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-
Accounts receivable - related party	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	47,407,796	-	-	-	-	700,000
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	47,407,796					700,000
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	(1,323,702,717)
Overfunded defined benefit pension plans	-	-	-	-	-	-
Investement of unconsolidated affiliates	-	-	-	-	-	(1,201,282)
Other assets	-	-	-	-	-	-
Total Assets	\$ 47,407,796	\$ -	\$ -	\$ -	\$ -	\$ (1,324,203,999)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt payable - related party	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Accounts payable - related party	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	700,000
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	(700,000)
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Debt payable - related party	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingences	(110)	-	-	-	-	-
Asbestos-related contingencies	-	-	-	-	-	-
Environmental contingencies	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(110)	-	-	-	-	-
Total Liabilities	(110)	-	-	-	-	-
Equity (Deficit)						
Preferred stock	-	-	-	-	-	-
Common stock	1,000	-	-	-	-	(86,493,960)
Paid in capital	7,308,934	-	-	-	-	(1,222,870,000)
(Accumulated deficit)/Retained earnings	40,097,972	-	-	-	-	3,159,961
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	(18,000,000)
Total W.R. Grace & Co. - Chapter 11 Filing Entities Equity (Deficit)	47,407,906	-	-	-	-	(1,324,203,999)
Noncontrolling interest	-	-	-	-	-	-
Total Equity (Deficit)	47,407,906	-	-	-	-	(1,324,203,999)
Total Liabilities and Equity (Deficit)	\$ 47,407,796	\$ -	\$ -	\$ -	\$ -	\$ (1,324,203,999)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities Combining Balance Sheet MOR - 3 March 31, 2011		Conversion to Equity Method	Reporting Reclasses	COMBINED FILING ENTITIES
ASSETS				
Current Assets				
Cash and cash equivalents	\$ -	\$ -	\$ 580,820,307	
Restricted cash and cash equivalents as collateral for letter of credit facility	-	-	\$ 74,300,000	
Cash value of life insurance policies, net of policy loans	-	-	\$ -	
Accounts and other receivables, net	-	-	\$ 120,850,634	
Accounts receivable - related party	-	-	\$ 15,821,411	
Receivables from/(payables to) filing and non-filing entities, net	-	200,000	\$ 87,910,958	
Inventories	-	-	\$ 120,251,285	
Deferred income taxes	-	(531,777)	\$ 17,314,569	
Other current assets	-	-	\$ 39,632,159	
Total Current Assets	-	(331,777)	\$ 1,056,901,323	
Properties and equipment, net	-	-	\$ 404,151,858	
Goodwill	-	-	\$ 32,310,582	
Deferred income taxes	-	(168,438,816)	\$ 800,404,985	
Asbestos-related insurance receivable	-	-	\$ 500,000,000	
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	\$ 383,029,698	
Investment in filing and non-filing entities	(213,389,374)	1,800,000	\$ 304,835,336	
Overfunded defined benefit pension plans	-	-	\$ 288,705	
Investement of unconsolidated affiliates	-	-	\$ 59,482,991	
Other assets	-	-	\$ 44,689,342	
Total Assets	\$ (213,389,374)	\$ (166,970,593)	\$ 3,586,094,820	
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)				
Liabilities Not Subject to Compromise				
Current Liabilities				
Debt payable within one year	\$ -	\$ -	\$ 776,122	
Debt payable - related party	-	-	\$ 2,389,694	
Accounts payable	-	-	\$ 105,966,102	
Accounts payable - related party	-	-	\$ 3,488,366	
Income taxes payable	-	-	\$ (68,365)	
Asbestos-related liability expected to be disbursed within one year	-	-	\$ -	
Other current liabilities	-	3,083,205	\$ 90,247,455	
Total Current Liabilities	-	3,083,205	\$ 202,799,374	
Debt payable after one year	-	-	\$ 2,332,828	
Debt payable - related party	-	-	\$ 14,268,683	
Underfunded defined benefit pension plans	-	-	\$ 159,697,611	
Other liabilities	-	-	\$ 32,064,548	
Total Liabilities Not Subject to Compromise	-	(165,355,611)	\$ 411,163,044	
Liabilities Subject to Compromise				
Debt, pre-petition plus accrued interest	-	-	\$ 885,481,787	
Drawn letters of credit plus accrued interest	-	-	\$ 33,260,915	
Income tax contingences	-	-	\$ 93,599,000	
Asbestos-related contingences	-	-	\$ 1,700,000,000	
Environmental contingencies	-	-	\$ 141,897,081	
Postretirement benefits	-	-	\$ 180,225,542	
Other liabilities and accrued interest	-	(9,414,982)	\$ 142,839,538	
Total Liabilities Subject to Compromise	-	(9,414,982)	\$ 3,177,303,863	
Total Liabilities	-	(174,770,593)	\$ 3,588,466,907	
Equity (Deficit)				
Preferred stock	-	-	\$ 112	
Common stock	-	-	\$ 735,756	
Paid in capital	-	-	\$ 456,926,383	
(Accumulated deficit)/Retained earnings	(197,452,729)	2,000,000	\$ 85,888,073	
Treasury stock, at cost	-	-	\$ (43,684,157)	
Accumulated other comprehensive (loss) income	(15,936,645)	5,800,000	\$ (502,360,543)	
Total W.R. Grace & Co. - Chapter 11 Filing Entities Equity (Deficit)	\$ (213,389,374)	7,800,000	\$ (2,494,376)	
Noncontrolling interest	-	-	\$ 122,289	
Total Equity (Deficit)	\$ (213,389,374)	7,800,000	\$ (2,372,087)	
Total Liabilities and Equity (Deficit)	\$ (213,389,374)	\$ (166,970,593)	\$ 3,586,094,820	

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

Chart 5

W. R. Grace & Co. - Conn Status of Postpetition Taxes MOR-4 March 31, 2011					
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability	
	A	B	= C-A-B	C	
Federal					
Withholding	\$ 133,502	\$ 6,126,610	\$ (6,126,610)	\$ 133,502	
FICA - Employee	9,695	1,694,430	(1,691,325)	12,800	
FICA and payroll- Employer	1,321,384	2,275,187	(3,705,934)	(109,363)	
Unemployment	-	3,283	(3,283)	-	
Other	-	290,720	(290,720)	-	
Total Federal Taxes	\$ 1,464,581	\$ 10,390,230	\$ (11,817,872)	\$ 36,939	
State and Local					
Withholding	\$ 80,080	\$ 1,760,723	(1,760,635)	\$ 80,168	
Sales & Use	474,791	512,712	(361,432)	626,071	
Property Taxes	2,197,887	296,509	(455,651)	2,038,745	
Other	-	-	-	-	
Total State and Local	\$ 2,752,758	\$ 2,569,944	\$ (2,577,718)	\$ 2,744,984	
Total Taxes	\$ 4,217,339	\$ 12,960,174	\$ (14,395,590)	\$ 2,781,923	

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 5

Remedium Group, Inc. Status of Postpetition Taxes MOR-4 March 31, 2011					
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability	
	A	B	= C-A-B	C	
Federal					
Withholding	\$ -	\$ 36,393	\$ (36,393)	\$ -	
FICA - Employee	-	8,320	(8,320)	-	
FICA and payroll- Employer	-	11,131	(11,131)	-	
Unemployment	-	-	-	-	
Other	-	-	-	-	
Total Federal Taxes	\$ -	\$ 55,844	\$ (55,844)	\$ -	
State and Local					
Withholding	\$ -	\$ 1,168	\$ (1,168)	\$ -	
Sales & Use	-	-	-	-	
Property Taxes	-	-	-	-	
Other	-	-	-	-	
Total State and Local	\$ -	\$ 1,168	\$ (1,168)	\$ -	
Total Taxes	\$ -	\$ 57,012	\$ (57,012)	\$ -	

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR - 5) for attestation related to accounts payable and tax obligations.

Chart 5

Grace Washington, Inc. Status of Postpetition Taxes MOR-4 March 31, 2011					
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability	
	A	B	= C-A-B	C	
Federal					
Withholding	\$ -	\$ 23,109	\$ (23,109)	\$ -	
FICA - Employee	-	4,365	(4,365)	-	
FICA and payroll- Employer	-	5,746	(5,746)	-	
Unemployment	-	-	-	-	
Other	-	-	-	-	
Total Federal Taxes	\$ -	\$ 33,220	\$ (33,220)	\$ -	
State and Local					
Withholding	\$ -	\$ 5,255	\$ (5,255)	\$ -	
Sales & Use	-	-	-	-	
Property Taxes	-	-	-	-	
Other	-	-	-	-	
Total State and Local	\$ -	\$ 5,255	\$ (5,255)	\$ -	
Total Taxes	\$ -	\$ 38,475	\$ (38,475)	\$ -	

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 5

L B Realty, Inc. Status of Postpetition Taxes MOR-4 March 31, 2011				
	Beginning Tax Liability A	Amount Withheld or Accrued B	Amount Paid = C-A-B	Ending Tax Liability C
Federal				
Withholding	\$ -	\$ -	\$ -	\$ -
FICA - Employee	\$ -	\$ -	\$ -	\$ -
FICA and payroll- Employer	\$ -	\$ -	\$ -	\$ -
Unemployment	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -
Total Federal Taxes	\$ -	\$ -	\$ -	\$ -
State and Local				
Withholding	\$ -	\$ -	\$ -	\$ -
Sales & Use	\$ -	\$ -	\$ -	\$ -
Property Taxes	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -
Total State and Local	\$ -	\$ -	\$ -	\$ -
Total Taxes	\$ -	\$ -	\$ -	\$ -

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 5

Darex Puerto Rico, Inc. Status of Postpetition Taxes MOR-4 March 31, 2011				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
	A	B	= C-A-B	C
Federal				
Withholding	\$ -	\$ -	\$ -	\$ -
FICA - Employee	-	547	(547)	-
FICA and payroll- Employer	-	740	(740)	-
Unemployment	-	38	(38)	-
Other	-	254	(254)	-
Total Federal Taxes	\$ -	\$ 1,579	\$ (1,579)	\$ -
State and Local				
Withholding	\$ -	\$ 619	\$ (619)	\$ -
Sales & Use	210	(208)	480	482
Property Taxes	49,666	10,875	-	60,541
Other	-	-	-	-
Total State and Local	\$ 49,876	\$ 11,286	\$ (139)	\$ 61,023
Total Taxes	\$ 49,876	\$ 12,865	\$ (1,718)	\$ 61,023

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 6

W. R. Grace & Co. - Conn
Accounts Receivable Reconciliation and Aging
MOR-5
March 2011

Trade Accounts Receivable Reconciliation	
Trade accounts receivable, beginning of month, gross	\$ 97,587,462
Amounts billed during the period	\$ 95,155,918
Amounts collected during the period	\$ (70,289,138)
Other	\$ (2,111,294)
Trade accounts receivable at the end of month, gross	\$ 120,342,949
Trade Accounts Receivable Aging	
Current	\$ 111,120,987
1-30 days past due	\$ 4,061,488
31-60 days past due	\$ 1,955,871
+61 days past due	\$ 3,204,603
Trade accounts receivable, gross	\$ 120,342,949
Allowance for doubtful accounts	\$ (1,573,482)
Trade accounts receivable, net	\$ 118,769,467
Notes and Accounts Receivable Reconciliation	
Trade accounts receivable, net	\$ 118,769,467
Customer notes and drafts receivable	\$ 1,095,687
Pending customer credit notes	\$ (232,558)
Advances and deposits	\$ -
Nontrade receivables, net	\$ -
Total notes and accounts receivable, net	\$ 119,632,596

Chart 6

Grace Washington, Inc.
Accounts Receivable Reconciliation and Aging
MOR-5
March 2011

Trade Accounts Receivable Reconciliation

Trade accounts receivable, beginning of month, gross	\$ -
Amounts billed during the period	-
Amounts collected during the period	-
Other	-
Trade accounts receivable at the end of month, gross	\$ -

Trade Accounts Receivable Aging

Current	\$ -
1-30 days past due	-
31-60 days past due	-
+61 days past due	-
Trade accounts receivable, gross	-
Allowance for doubtful accounts	-
Trade accounts receivable, net	\$ -

Notes and Accounts Receivable Reconciliation

Trade accounts receivable, net	\$ -
Customer notes and drafts receivable	-
Pending customer credit notes	-
Advances and deposits	-
Nontrade receivables, net	-
Total notes and accounts receivable, net	\$ -

Chart 6

Remedium Group, Inc.
Accounts Receivable Reconciliation and Aging
MOR-5
March 2011

Trade Accounts Receivable Reconciliation

Trade accounts receivable, beginning of month, gross	\$ -
Amounts billed during the period	-
Amounts collected during the period	-
Other	-
Trade accounts receivable at the end of month, gross	\$ -

Trade Accounts Receivable Aging

Current	\$ -
1-30 days past due	-
31-60 days past due	-
+61 days past due	-
Trade accounts receivable, gross	-
Allowance for doubtful accounts	-
Trade accounts receivable, net	\$ -

Notes and Accounts Receivable Reconciliation

Trade accounts receivable, net	\$ -
Customer notes and drafts receivable	-
Pending customer credit notes	-
Advances and deposits	-
Nontrade receivables, net	-
Total notes and accounts receivable, net	\$ -

Chart 6

Darex Puerto Rico, Inc.
Accounts Receivable Reconciliation and Aging
MOR-5
March 2011

Trade Accounts Receivable Reconciliation

Trade accounts receivable, beginning of month, gross	\$ 1,092,944
Amounts billed during the period	384,475
Amounts collected during the period	(228,193)
Other	29,682
 Trade accounts receivable at the end of month, gross	 \$ 1,278,907

Trade Accounts Receivable Aging

Current	\$ 817,815
1-30 days past due	185,779
31-60 days past due	28,423
+61 days past due	246,890
Trade accounts receivable, gross	1,278,907
Allowance for doubtful accounts	(60,870)
Trade accounts receivable, net	\$ 1,218,037

Notes and Accounts Receivable Reconciliation

Trade accounts receivable, net	\$ 1,218,037
Customer notes and drafts receivable	-
Pending customer credit notes	-
Advances and deposits	-
Nontrade receivables, net	-
Total notes and accounts receivable, net	\$ 1,218,037

Chart 6

Gloucester New Communities Company, Inc.
Accounts Receivable Reconciliation and Aging
MOR-5
March 2011

Trade Accounts Receivable Reconciliation	
Trade accounts receivable, beginning of month, gross	\$ -
Amounts billed during the period	-
Amounts collected during the period	-
Other	-
Trade accounts receivable at the end of month, gross	\$ -
Trade Accounts Receivable Aging	
Current	\$ -
1-30 days past due	-
31-60 days past due	-
+61 days past due	-
Trade accounts receivable, gross	-
Allowance for doubtful accounts	-
Trade accounts receivable, net	\$ -
Notes and Accounts Receivable Reconciliation	
Trade accounts receivable, net	\$ -
Customer notes and drafts receivable	-
Pending customer credit notes	-
Advances and deposits	-
Nontrade receivables, net	-
Total notes and accounts receivable, net	\$ -

Chart 6

Grace Europe, Inc.
Accounts Receivable Reconciliation and Aging
MOR-5
March 2011

Trade Accounts Receivable Reconciliation

Trade accounts receivable, beginning of month, gross	\$ -
Amounts billed during the period	-
Amounts collected during the period	-
Other	-
Trade accounts receivable at the end of month, gross	\$ -

Trade Accounts Receivable Aging

Current	\$ -
1-30 days past due	-
31-60 days past due	-
+61 days past due	-
Trade accounts receivable, gross	-
Allowance for doubtful accounts	-
Trade accounts receivable, net	\$ -

Notes and Accounts Receivable Reconciliation

Trade accounts receivable, net	\$ -
Customer notes and drafts receivable	-
Pending customer credit notes	-
Advances and deposits	-
Nontrade receivables, net	-
Total notes and accounts receivable, net	\$ -

Chart 7

W.R. Grace & Co., et al Debtor Questionnaire MOR - 5 March 31, 2011	Yes	No
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.		X
2. Have any funds been disbursed from any account other than a debtor in possession account for this reporting period? If yes, provide an explanation below.		See Note #5 below
3. Have all postpetition tax returns been timely filed? If no, provide an explanation below.	X	
4. Are workers compensation, general liability and other necessary insurance coverages in affect? If no, provide and explanation below.	X	
5. Are post-petition accounts payable and tax obligations current and paid to date? If no, provide an explanation.		See Note #6 below

Note #5

As part of the first day orders submitted to the court on April 2, 2001, an application for the Debtors to (a) continue and maintain their consolidated cash management system, (b) continue and maintain their existing bank accounts and (c) continue to use existing business forms and granting related relief was included. The Debtors have continued to use their existing bank accounts and no new debtor in possession accounts have been established.

Note #6

Generally yes. However, FICA taxes related to regular SERP payments (i.e., payments under Grace supplemental executive retirement plan) prior to 2008 were not paid, as a result of an administrative error. The amount involved is approximately \$300,000 with respect to employer contributions. Grace's advisors have contacted the IRS, and anticipate that this matter will be resolved in a satisfactory manner during 2011.

List assets sold/transferred outside the normal course of business over \$25,000:	Sale Date	Proceeds
Description of Asset		

Combined Chapter 11 Filing Entity Statements

Chart 8

W. R. Grace & Co. - Chapter 11 Filing Entities Combined Statements of Operations					
<i>In millions</i>	Month Ended March 31,		Three Months Ended March 31,		
	2011	2010	2011	2010	
Net sales to third parties	\$ 95.5	\$ 84.3	\$ 228.0	\$ 207.9	
Net sales to non-filing entities	33.6	26.5	86.3	61.5	
Interest and royalties from non-filing entities	1.8	9.6	7.9	16.2	
	130.9	120.4	322.2	285.6	
Cost of goods sold to third parties	54.7	55.3	130.0	134.8	
Cost of goods sold to related parties	(0.1)	(0.3)	(0.9)	(0.9)	
Cost of goods sold to non-filing entities	21.7	18.0	54.7	40.5	
Selling, general and administrative expenses	23.3	20.4	64.6	60.5	
Restructuring costs	0.2	1.2	0.2	1.2	
Depreciation and amortization	5.6	5.6	16.9	16.9	
Research and development expenses	3.3	3.4	9.0	8.9	
Defined benefit pension expense	1.6	3.5	11.6	15.1	
Interest expense	3.3	3.3	9.8	9.6	
Other (income) expense, net	(3.1)	(1.1)	(6.1)	(2.3)	
Provision for environmental remediation	-	-	-	-	
Chapter 11 expenses, net of interest income	2.6	1.9	5.8	6.5	
	113.1	111.2	295.6	290.8	
Income (loss) before income taxes and equity in net income of non-filing entities	17.8	9.2	26.6	(5.2)	
Benefit from (provision for) income taxes	(3.0)	23.3	(9.9)	21.9	
Income (loss) before equity in net income of non-filing entities	14.8	32.5	16.7	16.7	
Equity in net income of non-filing entities	18.5	18.0	37.5	39.6	
Net income (loss)	\$ 33.3	\$ 50.5	\$ 54.2	\$ 56.3	

W. R. Grace & Co. - Chapter 11 Filing Entities

Combined Statements of Cash Flows

(in millions)	Three Months Ended March 31,	
	2011	2010
<u>Operating Activities</u>		
Net income	\$ 54.2	\$ 56.3
Reconciliation to net cash provided by operating activities:		
Depreciation and amortization	16.9	16.9
Equity in earnings of non-filing entities	(37.5)	(39.6)
(Benefit from) provision for income taxes	9.9	(21.9)
Income taxes (paid), net of refunds received	(15.4)	-
Defined benefit pension expense	11.6	15.1
Payments under defined benefit pension arrangements	(204.5)	(10.1)
Changes in assets and liabilities, excluding effect of foreign currency translation:		
Trade accounts receivable	(21.6)	(31.5)
Inventories	(16.5)	(11.9)
Accounts payable	24.2	17.6
Other accruals and non-cash items	(13.3)	(31.6)
Net cash used for operating activities	(192.0)	(40.7)
<u>Investing Activities</u>		
Capital expenditures	(13.3)	(11.4)
Transfer to restricted cash and cash equivalents related to letter of credit facility	0.2	(77.0)
Other investing activities	-	1.8
Net cash used for investing activities	(13.1)	(86.6)
<u>Financing Activities</u>		
Net (repayments) borrowings under credit arrangements	(3.2)	(7.2)
Proceeds from exercise of stock options	1.9	4.4
Other financing activities	-	6.8
Net cash provided by (used for) financing activities	(1.3)	4.0
Decrease in cash and cash equivalents	(206.4)	(123.3)
Cash and cash equivalents, beginning of period	787.2	685.5
Cash and cash equivalents, end of period	\$ 580.8	\$ 562.2

Chart 10

W. R. Grace & Co. - Chapter 11 Filing Entities Combined Balance Sheets			
Amounts in millions	March 31, 2011	December 31, 2010	April 2, 2001
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 580.8	\$ 787.2	\$ 8.6
Restricted cash and cash equivalents	74.3	74.5	-
Cash value of life insurance policies, net of policy loans	-	-	-
Trade accounts receivable, less allowance of \$1.6 (2010 - \$1.7, Filing Date - \$0.7)	120.9	99.3	32.3
Accounts receivable - unconsolidated affiliate	15.8	4.4	-
Receivables from non-filing entities, net	87.9	106.8	51.2
Inventories	120.3	103.8	80.6
Deferred income taxes	17.3	17.4	80.9
Asbestos-related insurance expected to be realized within one year	-	-	17.0
Other current assets	39.7	39.0	33.4
Total Current Assets	1,057.0	1,232.4	304.0
Properties and equipment, net	404.2	407.2	400.4
Goodwill	32.3	32.3	13.6
Deferred income taxes	800.4	806.2	401.0
Asbestos-related insurance expected to be realized after one year	500.0	500.0	323.4
Loans receivable from non-filing entities, net	383.0	359.4	387.5
Investment in non-filing entities	304.8	254.3	121.0
Overfunded defined benefit pension plans	0.3	0.3	-
Deferred pension costs	-	-	236.0
Investment in unconsolidated affiliates	59.4	56.4	-
Other assets	44.8	51.2	136.6
Total Assets	\$ 3,586.2	\$ 3,699.7	\$ 2,323.5
LIABILITIES AND EQUITY (DEFICIT)			
Liabilities Not Subject to Compromise			
Current Liabilities			
Debt payable within one year	\$ 0.8	\$ 0.8	\$ -
Debt payable - unconsolidated affiliate	2.4	2.3	-
Accounts payable	106.0	81.8	-
Accounts payable - unconsolidated affiliate	3.5	4.0	-
Other current liabilities	90.2	94.6	-
Total Current Liabilities	202.9	183.5	-
Debt payable after one year	2.3	2.5	-
Debt payable - unconsolidated affiliate - long term	14.3	12.6	-
Underfunded defined benefit pension plans	159.7	367.7	-
Other liabilities	32.1	34.9	31.5
Total Liabilities Not Subject to Compromise	411.3	601.2	31.5
Liabilities Subject to Compromise			
Debt plus accrued interest	918.8	911.4	511.5
Income tax contingencies	93.6	93.8	242.1
Asbestos-related contingencies	1,700.0	1,700.0	1,002.8
Environmental contingencies	141.9	144.0	164.8
Postretirement benefits	180.2	181.1	256.2
Other liabilities and accrued interest	142.8	143.8	188.6
Total Liabilities Subject to Compromise	3,177.3	3,174.1	2,366.0
Total Liabilities	3,588.6	3,775.3	2,397.5
Equity (Deficit)			
Common stock	0.7	0.7	0.8
Paid in capital	457.0	455.9	432.6
Retained earnings (Accumulated deficit)	85.9	31.7	(201.8)
Treasury stock, at cost	(43.7)	(45.9)	(136.4)
Accumulated other comprehensive loss	(502.4)	(518.1)	(169.5)
Total W.R. Grace & Co. Chapter 11 Filing Entities Shareholders' Equity (Deficit)	(2.5)	(75.7)	(74.3)
Noncontrolling interest	0.1	0.1	0.3
Total Equity (Deficit)	(2.4)	(75.6)	(74.0)
Total Liabilities and Equity (Deficit)	\$ 3,586.2	\$ 3,699.7	\$ 2,323.5

**W. R. Grace & Co.
Filing Entity Supplemental Financial Information
March 31, 2011**

Basis of Presentation

The interim Combined Financial Statements presented herein represent the results of operations, cash flows and financial position of the Debtors. These financial statements pertain to periods beginning with, and subsequent to, the Filing Date and have been prepared in conformity with requirements of the Bankruptcy Court. Consequently, these financial statements do not purport to present the financial performance of W. R. Grace & Co. in conformity with U.S. generally accepted accounting principles which would require the consolidation of all controlled subsidiaries and more extensive notes and analysis related to the worldwide operations of W. R. Grace & Co. Financial activity of non-Debtor entities is not presented herein. However, all non-Debtor entities are either directly or indirectly controlled by the Debtors and, accordingly, non-Debtor financial results are reflected under the equity method of accounting. These financial statements are unaudited and should be read in conjunction with the consolidated financial statements presented in the Company's 2010 Annual Report on Form 10-K and other periodic filings with the U.S. Securities and Exchange Commission.

These interim Combined Financial Statements reflect all adjustments that, in the opinion of management, are necessary for a fair presentation of the results of the interim periods presented under U.S. generally accepted accounting principles; all such adjustments are of a normal recurring nature. All significant inter-Debtor accounts and transactions have been eliminated. Transactions and balances with non-Debtor entities are separately disclosed.

The results of operations for the three-month interim period ended March 31, 2011 are not necessarily indicative of the results of operations for the year ending December 31, 2011.

Other Balance Sheet Accounts

<i>(In millions)</i>	March 31, 2011	Filing Date
Inventories		
Raw materials	\$ 20.3	\$ 20.3
In process	21.8	16.2
Finished products.....	64.3	63.8
Other.....	13.9	9.6
Less: Adjustment of certain inventories to a last-in/first-out (LIFO) basis	--	(29.3)
	\$ 120.3	\$ 80.6
Other Assets		
Deferred charges	13.9	40.4
Cash value of life insurance policies, net of policy loans	5.0	64.1
Long-term receivables.....	0.2	1.9
Long-term investments.....	3.7	2.1
Patents, licenses and other intangible assets, net.....	15.9	25.2
Fair value of currency forward contracts.....	6.1	--
Other assets.....	--	2.9
	\$ 44.8	\$ 136.6
Other Current Liabilities		
Accrued compensation.....	\$ 26.2	\$ --
Accrued commissions	1.9	--
Customer programs	12.0	--
Accrued freight.....	6.3	--
Accrued reorganization fees.....	8.0	--
Fair value of commodity contracts.....	8.9	--
Other accrued liabilities	26.9	--
	\$ 90.2	\$ --
Other Liabilities		
Deferred royalty income – non-filing entities.....	\$ --	\$ 31.5
Accrued compensation.....	1.0	--
Other accrued liabilities	31.1	--
	\$ 32.1	\$ 31.5
Other Liabilities Subject to Compromise		
Accrued interest on pre-petition liabilities	62.0	--
Accounts payable.....	31.1	43.0
Retained obligations of divested businesses.....	29.5	43.5
Other accrued liabilities	20.2	102.1
	\$ 142.8	\$ 188.6

Accrued compensation in the table above includes salaries and wages as well as estimated current amounts due under the annual and long-term incentive programs.

Debt

On March 31, 2011 and the Filing Date, Grace's debt was as follows:

Components of Debt (In millions)	March 31, 2011	Filing Date
Debt payable within one year		
Other short-term borrowings and related fees payable.....	\$ 0.8	\$ --
Debt payable after one year		
Other long-term borrowings.....	\$ 2.3	\$ --
Debt Subject to Compromise		
Bank borrowings	\$ 500.0	\$ 500.0
Accrued interest on bank borrowings	385.5	--
Drawn letters of credit	26.1	--
Accrued interest on drawn letters of credit	7.2	--
8.0% Notes Due 2004	--	5.7
7.75% Notes Due 2002	--	2.0
Other borrowings.....	--	1.2
Accrued interest.....	--	2.6
Weighted average interest rates on total debt	\$ 918.8	\$ 511.5
	3.4%	6.1%